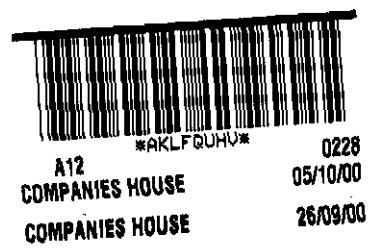


RYE MUSEUM ASSOCIATION

DIRECTORS' REPORT AND ACCOUNTS

FOR THE YEAR ENDED
31 DECEMBER 1999

COMPANY NUMBER: 3226143



PHIPPS & CO.
CHARTERED ACCOUNTANTS

RYE MUSEUM ASSOCIATION
DIRECTORS' REPORT
FOR THE YEAR ENDING 31 DECEMBER 1999

The directors present their report together with the accounts for the year ended 31 December 1999.

Rye Museum Association (RMA) is a company limited by guarantee. It was registered as a charity (number 1057421) on 8 August 1996.

Directors

The directors who served during the year were:

Paul Blomfield	- Chairman
Mrs Jo Kirkham	- Vice Chairman
David Short	- Hon Treasurer
Ian Johnson	- Hon Company Secretary
Frank Palmer	
Mrs Shirley Brinkhurst	
Mrs Rae Festing	
Mrs Daphne Message	- Appointed June 1998
Mrs Pauline Kingswood	- Appointed July 1999
Dr Peter Marsden	- Resigned June 1999

Objects and Policies

The company was formed in succession to the unincorporated association of the same name. Its objectives are the provision of museum facilities in the Rye area and the advancement of education and exhibition of objects and collections with an educational nature.

The Curator / Administrator was Allan Downend.

The museum staff employed during the year were J Davidson, L Pierpoint, C Rutland-Staples, C Wheeler, P Manson, E Williams and C Kimber.

Bankers - National Westminster Bank Plc, Rye Branch.

Solicitors - Heringtons, Bank Chambers, Rye.

Independent Examiner - Phipps & Co., Landgate Chambers, Rye.

Registered office - Bank Chambers, High Street, Rye, East Sussex.

Activities and Finance

The results for the period are shown on page 4.

RMA owns 3 East Street, Rye which has been developed as a second museum site in addition to the Ypres Tower.

RMA has been successful in obtaining Heritage Lottery funding of £459,000 to:

- Display certain artefacts in the Ypres Tower in suitable conditions and to provide educational facilities.
- Develop a local history museum of national standard, displayed on the East Street site.
- Give the collection on the East Street site the care and environmental conditions impossible to achieve in the Ypres Tower.

During the year, £106,000 became due from the Lottery Fund, with £333,000 paid last year, and works to that value have been executed.

RYE MUSEUM ASSOCIATION

DIRECTORS' REPORT FOR THE YEAR ENDING 31 DECEMBER 1999

Summary of Other Activities During the Year

Following substantial completion of building works and fixing of display cabinets, your curator organised a large party of volunteers who carried out conservation and presentation of our artefacts which had been packed away and kept by Messrs Bournes during works to the Ypres Tower. 3 East Street opened at Easter.

A number of very interesting lectures were given at the Further Education Centre and in December 1999, an Edwardian Christmas Social Evening was held at the George Hotel, which was great success.

Total membership rose from 154 members at 31 December 1998 to 159 members at 31 December 1999.

Restricted Funds

Works financed by the Heritage Lottery Fund, for which we are most grateful, continued to be carried out at 3 East Street and at the Ypres Tower. At East Street, the original building works ran from April to October 1998. Showcases and fitting out were completed by Easter 1999. We received £650 from the Stanley Smith Trust for the Garden Fund and £208 from the collection boxes to support the Fabric Funds.

Permanent Collection

The artefacts, documents and other exhibits are held by the company on loan from the Rye Museum Trust. The Trustees of this collection at 31 December 1999 were:-

Paul Blomfield
David Short
Charles R. Davey
Frank S. Paimer

Brion Purdey
Victoria Williams
Brian Hargreaves
David Martin

Some additions to the collection have taken place, for which we are most grateful.

Directors' Responsibilities

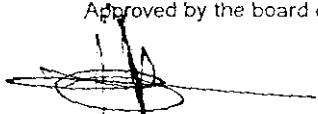
Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of the company's affairs and of the surplus or deficit for that year. In preparing these accounts the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and enable the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under Charity Law, the directors of RMA are considered to have the status and responsibilities of trustees.

Approved by the board of directors on 8th May 2000, and signed on its behalf:


Ian Johnson
Company Secretary

INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS
OF RYE MUSEUM ASSOCIATION

I report on the accounts of the Association for the year ended 31 December 1999, which are set out on pages 4 to 9.

Respective responsibilities of the Directors and Examiner

As the Charity's Directors, you are responsible for the preparation of the accounts: you consider that the audit requirement of section 43 (2) of the Charities Act 1993 ("the Act") does not apply. It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under section 43 (7) of the Act, whether particular matters have come to my attention.

Basis of Independent Examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Directors concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

- 1 Which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 41 of the Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Acthave not been met: or
- 2 To which, in my opinion, attention should be drawn to enable a proper understanding of the accounts to be reached,



NF Martin FCA
Phipps & Co
Chartered Accountants and Registered Auditors
Landgate Chambers
Rye
East Sussex
TN31 7 LJ
Date: 8th May 2000

RYE MUSEUM ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 1999

	<u>Note</u>	<u>Unrestricted</u> <u>Funds</u> <u>1999</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>1999</u> <u>£</u>	<u>Total</u> <u>Funds</u> <u>1999</u> <u>£</u>	<u>Total</u> <u>Funds</u> <u>1998</u> <u>£</u>
Income					
Subscriptions		1,375	-	1,375	749
Donations	2	701	858	1,559	1,519
Grants	3	2,480	106,627	109,107	335,399
Deferred income	13	-	(105,811)	(105,811)	(327,857)
Entry fees		33,427	-	33,427	27,579
Trading activities (net)	4	877	-	877	1,738
Investment income	5	448	-	448	1,798
Fund-raising activities & other income	6	525	-	525	67
Total income		<u>39,833</u>	<u>1,674</u>	<u>41,507</u>	<u>40,992</u>
Expenditure					
Direct charitable expenditure	7	48,658	1,643	50,301	33,580
Fund-raising & publicity expenditure	8	2,258	-	2,258	898
Administration expenditure	9	8,050	-	8,050	8,281
Total expenditure		<u>58,966</u>	<u>1,643</u>	<u>60,609</u>	<u>42,759</u>
Net (deficit) / surplus for the year		<u>(19,133)</u>	<u>31</u>	<u>(19,102)</u>	<u>(1,767)</u>
Funds brought forward		<u>121,453</u>	<u>546</u>	<u>121,999</u>	<u>123,766</u>
Funds carried forward		<u>102,320</u>	<u>577</u>	<u>102,897</u>	<u>121,999</u>

There were no recognised gains or losses other than those shown above.

The notes on pages 6 to 9 form part of these accounts.

RYE MUSEUM ASSOCIATION

BALANCE SHEET AT 31 DECEMBER 1999

	<u>Notes</u>	<u>1999</u>	<u>1998</u>
		£	£
Fixed assets	10	473,756	413,778
Current assets			
Stock		1,542	1,967
Debtors and prepayments	11	15,603	5,847
Bank - Business Reserve		15,085	34,344
Bank - Current Account		1,511	-
Cash in hand		96	176
		<u>33,837</u>	<u>42,334</u>
Less: current liabilities			
Creditors and accruals	12	<u>17,282</u>	<u>6,256</u>
Net current assets		<u>16,555</u>	<u>36,078</u>
		490,311	449,856
Deferred income	13	<u>387,414</u>	<u>327,857</u>
NET ASSETS		<u>102,897</u>	<u>121,999</u>
Represented by:			
Unrestricted income funds:			
General Purposes Fund		102,320	121,453
Restricted income funds:			
General Fund	14	500	500
Fabric Fund	14	-	-
Garden Fund	14	34	-
Lottery Fund	14	<u>43</u>	<u>46</u>
		<u>577</u>	<u>546</u>
TOTAL FUNDS		<u>102,897</u>	<u>121,999</u>

The directors are of the opinion that the company is entitled to exemption from audit conferred by Subsection 1 of Section 249A of the Companies Act 1985 for the year ended 31st December 1999.

The directors confirm that no member or members have requested an audit pursuant to Subsection 2 of Section 249B of the Companies Act 1985.

The directors confirm that they are responsible for:

ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and preparing accounts which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its results for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These accounts were approved by the board on 8th May 2000 and signed on its behalf by:



David Short
Director

The notes on pages 6 to 9 form part of these accounts.

RYE MUSEUM ASSOCIATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

1 Accounting policies

- a) These accounts have been prepared under the historic cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting by Charities.
- b) Donated income is accounted for when received.
- c) Grants in respect of capital expenditure are credited to the deferred income account and are released to the statement of financial activities by equal annual instalments over the expected useful lives of the relevant assets. Grants of a revenue nature are credited to the statement of financial activities in the same period as the related expenditure.
- d) The company is not registered for VAT. All items in these accounts include attributable VAT.
- e) Depreciation is provided on equipment at the following rates based on the estimated useful life of these fixed assets and their anticipated residual value:

Freehold improvements	10% - on cost
Display equipment	
- furniture, fixtures and fittings	10% - on cost
- computer equipment	20% - on cost
Office equipment	15% - reducing balance basis

No depreciation is provided on the original acquisition cost of the freehold land and buildings.

- f) Stock of publications for resale is valued at the lower of cost and net realisable value, after making allowances for obsolete and slow moving items.
- g) In accordance with the recommendations of the Statement of Recommended Practice on Accounting by Charities the Permanent Collection of Museum Exhibits has been excluded from the balance sheet. See note 15.

2 Donations

	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>Total</u> <u>Funds 1999</u>	<u>Total</u> <u>Funds 1998</u>
General	701	-	701	696
Fabric Fund	-	208	208	473
Garden Fund	-	650	650	-
Education Fund	-	-	-	350
	<u>701</u>	<u>858</u>	<u>1,559</u>	<u>1,519</u>

3 Grants

Heritage Fund Lottery grant	-	106,627	106,627	332,554
Other grants	2,480	-	2,480	10
Conservation Fund	-	-	-	2,835
	<u>2,480</u>	<u>106,627</u>	<u>109,107</u>	<u>335,399</u>

RYE MUSEUM ASSOCIATION

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDING 31 DECEMBER 1999

4	Trading activities	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>Total</u> <u>Funds 1999</u>	<u>Total</u> <u>Funds 1998</u>
	Gross sales of publications	3,147	-	3,147	3,425
	Less: purchases (adjusted for stock)	2,270	-	2,270	1,687
	Gross profit on sales	<u>877</u>	<u>-</u>	<u>877</u>	<u>1,738</u>
5	Investment income				
	Bank interest received	<u>448</u>	<u>-</u>	<u>448</u>	<u>1,798</u>
6	Fund-raising activities and other income				
	Compensation - Rother District Council	-	-	-	67
	Christmas party - net proceeds	341	-	341	-
	Yard sale - proceeds	<u>184</u>	<u>-</u>	<u>184</u>	<u>-</u>
		<u>525</u>	<u>-</u>	<u>525</u>	<u>67</u>
7	Direct charitable expenditure				
	Salaries	38,586	-	38,586	16,924
	Rent, rates & water	239	-	239	69
	Light & heat	1,209	-	1,209	1,310
	Property maintenance	2,450	1,027	3,477	1,304
	Development costs	-	-	-	1,712
	Conservation	579	-	579	6,052
	Documentation	773	-	773	14
	Garden	-	616	616	1,219
	Acquisitions	223	-	223	-
	Education	-	-	-	934
	Support costs:				
	Insurance	3,104	-	3,104	1,740
	Storage costs	570	-	570	1,657
	Subscriptions & affiliation fees	686	-	686	339
	Training & travel expenses	<u>239</u>	<u>-</u>	<u>239</u>	<u>306</u>
		<u>48,658</u>	<u>1,643</u>	<u>50,301</u>	<u>33,580</u>

The directors do not receive any remuneration for their services. The directors are reimbursed for out-of-pocket expenses incurred on behalf of the museum.

8	Fund-raising and publicity costs				
	Advertising & promotion costs	1,793	-	1,793	733
	Fund-raising event costs	-	-	-	36
	Deficit on lectures	465	-	465	129
	Lottery grant linked costs	-	-	-	(4,183)
	Lottery grant application costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,183</u>
		<u>2,258</u>	<u>-</u>	<u>2,258</u>	<u>898</u>

£4,183 of lottery grant linked costs were charged to the statement of financial activities in 1997, and subsequently recovered through the lottery claims process. These costs have therefore been credited back in the 1998 results.

RYE MUSEUM ASSOCIATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDING 31 DECEMBER 1999

9	Administration	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>Total</u> <u>Funds 1999</u>	<u>Total</u> <u>Funds 1998</u>
	Telephone	1,374	-	1,374	723
	Postage & stationery	963	-	963	629
	Secretarial expenses	150	-	150	329
	Recruitment	-	-	-	499
	Bank charges	4	-	4	-
	Audit & accountancy	2,534	-	2,534	3,107
	Sundry	244	-	244	500
	Depreciation	49,035	-	49,035	2,494
	Release of deferred income (see note 13)	(46,254)	-	(46,254)	-
		<u>8,050</u>	<u>-</u>	<u>8,050</u>	<u>8,281</u>

10	Fixed assets	<u>Freehold</u> <u>Property</u>	<u>Display</u> <u>Equipment</u>	<u>Office</u> <u>Equipment</u>	<u>TOTAL</u>
	Cost b/f	365,924	42,429	8,348	416,701
	Acquisitions	<u>8,384</u>	<u>97,605</u>	<u>3,024</u>	<u>109,013</u>
	Cost c/f	<u>374,308</u>	<u>140,034</u>	<u>11,372</u>	<u>525,714</u>
	Accumulated depreciation b/f	1,058	508	1,357	2,923
	Depreciation for period	<u>30,642</u>	<u>16,891</u>	<u>1,502</u>	<u>49,035</u>
	Accumulated depreciation c/f	<u>31,700</u>	<u>17,399</u>	<u>2,859</u>	<u>51,958</u>
	Balance at 31 December 1999	<u>342,608</u>	<u>122,635</u>	<u>8,513</u>	<u>473,756</u>
	Balance at 31 December 1998	<u>364,866</u>	<u>41,921</u>	<u>6,991</u>	<u>413,778</u>

	<u>1999</u>	<u>1998</u>
Freehold property comprises:		
3 East Street, Rye - cost	67,385	67,385
3 East Street - capitalised improvement expenditure	295,842	287,458
Ypres Tower, Rye - cost	501	501
Ypres Tower - capitalised improvement expenditure	<u>10,580</u>	<u>10,580</u>
	<u>374,308</u>	<u>365,924</u>

During 1997, the freehold of the Ypres Tower was purchased at a cost of £1 plus legal expenses of £500. The Ypres Tower freehold is subject to pre-emption rights granted to Rother District Council and Rye Town Council granting them a right of purchase in the event of a sale.

During 1999, £8,384 of freehold improvements (1998: £287,458) and £95,181 of display equipment additions (1998: £40,399) have been made to 3 East Street which were financed by the Heritage Fund Lottery grant.

11	Debtors	<u>1999</u>	<u>1998</u>
	Prepayments	1,985	1,033
	Accrued income	<u>13,618</u>	<u>4,814</u>
		<u>15,603</u>	<u>5,847</u>

RYE MUSEUM ASSOCIATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDING 31 DECEMBER 1999

12	Creditors due within one year	<u>1999</u>	<u>1998</u>
	Accruals	<u>17,282</u>	<u>6,256</u>
13	Deferred income	<u>1999</u>	<u>1998</u>
	Balance brought forward	327,857	327,857
	Grants due in the year	105,811	-
	Released during the year	<u>(46,254)</u>	<u>-</u>
	Balance carried forward for future periods	<u>387,414</u>	<u>327,857</u>

Deferred income relates to the Heritage Lottery Fund grant received during the year to develop the site at 3 East Street, Rye and for improvements to Ypres Tower, Rye. In accordance with accounting standards the cost of the associated fixed asset has been capitalised, together with the associated grant income. The accumulated deferred income will be released in line with the depreciation charge of the related assets.

14	Restricted income funds	<u>Opening</u> <u>Balance</u>	<u>Income</u>	<u>Expenses</u>	<u>Closing</u> <u>Balance</u>
	General Fund	500	-	-	500
	Fabric Fund	-	208	208	-
	Garden Fund	-	650	616	34
	Lottery Fund	<u>46</u>	<u>817</u>	<u>820</u>	<u>43</u>
		<u>546</u>	<u>1,674</u>	<u>1,644</u>	<u>577</u>

15 **Permanent collection**
The permanent collection of museum exhibits are held by the Rye Museum Trust.

16 **Contingent income**
A grant of £459,000 has been awarded from Heritage Lottery Funding in respect of the redevelopment project at the 3 East Street premises and improvements to Ypres Tower. £425,000 has been received with the balance to be received to complete these works.

17 **Contingent liability**
Under the terms of Heritage Lottery Funding, RMA must maintain the two sites for the purposes set out in the grant application for a period of ten years. Should the terms of the grant be breached, RMA would be required to repay the greater of the amount of the grant or a share of the net proceeds of sale of the relevant properties.

18 **Commitments**
The company has no contractual commitments outstanding at the year end that have not been provided for elsewhere in these accounts (1998: £2,500).

18 **Limited by guarantee**
Rye Museum Association Limited is a registered charity. It is a company limited by guarantee and does not have share capital. The liability of each member is limited to £1.